



U.S. Immigration and Customs Enforcement

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News Release

RESTAURANT OWNERS GUILTY OF MARRIAGE FRAUD, TAX FRAUD PLUS HIRING AND HARBORING ILLEGAL ALIENS

CEDAR RAPIDS, Iowa—As a result of an joint investigation by U.S. Immigration and Customs Enforcement (ICE), the IRS, and the Drug Enforcement Administration, two Cedar Rapids restaurant owners have been found guilty by a jury—or have pleaded guilty—of multiple counts of marriage fraud, tax fraud and hiring and harboring dozens of illegal aliens.

A woman was also convicted of marriage fraud for entering into a sham marriage so that one of the men could get legal status in the United States.



Two other individuals who have also been charged with marriage fraud are fugitives.

“These convictions tell the story of a group of people who committed a string of felonies in an attempt to steal the American dream,” said Resident Agent-in-Charge Michael Vail of the ICE Cedar Rapids office. “Our job is to restore integrity to the U.S. legal immigration system. We’re several steps closer to that goal today.” Vail oversees the enforcement of immigration and customs laws in eastern Iowa.

A jury on Thursday convicted Luis Armando Varela-Arteaga, 42, of two counts of conspiracy to commit marriage fraud and one count of aiding and abetting a marriage for the purpose of evading immigration laws.

Tiffany Marie Cross, 28, was also convicted Thursday of conspiracy to commit marriage fraud. In November 1996, Cross, who was born in the United States, entered into a fraudulent marriage with Varela-Arteaga, a citizen of Mexico. Varela-Arteaga received legal status in April 2000, and the two divorced in July 2000.

In 2001, Varela-Arteaga arranged for an illegal alien and a woman who is a U.S. citizen to enter a fraudulent marriage so the alien could obtain legal status. The woman received \$4,000 for participating in the sham marriage.

Varela-Arteaga faces up to 5 years' imprisonment and a fine of up to \$250,000 for each of the marriage fraud counts. Cross also faces up to 5 years' imprisonment and a fine of up to \$250,000.

On Monday, Varela-Arteaga pleaded guilty to filing a false tax return and to one count of structuring a financial transaction to purchase and install his swimming pool to avoid filing a federal currency transaction report. The structuring charge is punishable by up to five years' imprisonment.

Earlier this month, a business associate of Varela-Arteaga, Jose De Jesus Ibarra-Castaneda, 33, pleaded guilty to filing a false income tax return and to knowingly hiring illegal aliens and receiving false identity documents from them. Ibarra-Castaneda faces up to 3 years' imprisonment and a fine of up to \$250,000 on the tax charge, and also faces up to 6 months of jail time and fines of up to \$3,000 for each of 24 illegal aliens he hired.

Ibarra-Castaneda also entered guilty pleas on behalf of four companies, admitting that the management and employees of the businesses accepted fraudulent immigration documents to allow illegal aliens to work in the restaurants; and admitting that the corporations harbored illegal aliens by encouraging and inducing them to enter and remain in the U.S. illegally. The businesses each face fines of up to \$500,000 for each of eight counts and up to five years' probation on each charge.

The businesses own and operate four restaurants: three in Cedar Rapids and one in Waterloo, Iowa. Luis Armando Varela-Arteaga co-owns three of the restaurants with Ibarra-Castaneda.

Two other people who are wanted for marriage fraud are fugitives. Martha Beatriz Varela, 34, and Cecil Scott Becker, 30, allegedly entered a sham marriage so that Varela could get legal status in the U.S. Becker was an employee at one of the restaurants.

Anyone having information about their locations should contact the U.S. Marshal Service in Cedar Rapids at (319) 362-4411.

This case was investigated as part of the Organized Crime and Drug Enforcement Task Force (OCDETF) under the U.S. Department of Justice. It was a cooperative effort by ICE, the IRS, the Drug Enforcement Administration, and state and local law enforcement agencies.

ICE

U.S. Immigration and Customs Enforcement was established in March 2003 as the largest investigative arm of the Department of Homeland Security. ICE is comprised of five integrated divisions that form a 21st century law enforcement agency with broad responsibilities for a number of key homeland security priorities.